

## A RESOLUTION

### SHBP Revised State Employees Plan Employer Contribution Rates for Fiscal Year 2012; SHBP State Employees Plan Employer Contribution Rates for Fiscal Year 2013

WHEREAS, the State Health Benefit Plan is comprised of three health insurance plans, each supported by its own fund: 1) a plan for State employees (O.C.G.A. § 45-18-2), 2) a plan for teachers (O.C.G.A. § 20-2-891), and 3) a plan for non-certificated public school employees (O.C.G.A. § 20-2-911); and

WHEREAS, pursuant to O.C.G.A. §§ 20-2-891(c), 20-2-918(b) and 45-18-12(b) the Commissioner of the Department of Community Health is permitted to combine the three funds supporting the three plans (together, the "State Health Benefit Plan" or "SHBP") in order to pay benefits due under any of the plans; and

WHEREAS, O.C.G.A. § 45-18-14 provides for the Board of Community Health (the "Board") and the Governor to establish the rate that each department, board and agency of the executive and judicial branches of state government shall contribute to the health insurance fund for State employees as their portion of the cost of benefits payable under that plan (the "State Employees Plan Employer Contribution Rate"); and

WHEREAS, in order to ensure that the State Employees Plan Employer Contribution Rate for Fiscal Year 2012 does not exceed the maximum amount authorized by the Appropriations Act for Fiscal Year 2012, the State Employees Plan Employer Contribution Rate must be set at 27.363% for May and June of 2012; and

WHEREAS, the Appropriations Act for Fiscal Year 2013 establishes an increase in the amount of employer contributions of \$68,956,408 to the plan for State employees during Fiscal Year 2013, to be contributed as 29.781% of total salaries during Fiscal Year 2013; and

WHEREAS, the Board and the Governor wish to establish the annualized State Employees Plan Employer Contribution Rate as 29.781% of total salaries for Fiscal Year 2013; and

WHEREAS, in order to support the financial stability of the SHBP, it is necessary and appropriate for the Commissioner and the State Office of Planning and Budget to be able to adjust monthly State Employees Plan Employer Contribution rates; and

WHEREAS, the Board desires to authorize the Commissioner to set monthly rates that differ from 29.781% of total salaries, so long as the annualized contribution for Fiscal Year 2013 is 29.781% of total salaries and satisfies the intent of the Appropriations Act of Fiscal Year 2013; and

WHEREAS, the Commissioner is required to provide advance notice of any rate changes that occur during the Fiscal Year to impacted employers;

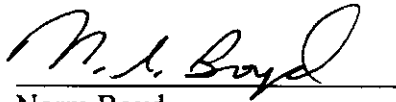
NOW, THEREFORE, LET IT BE ORDERED THAT the State Employees Plan Employer Contribution Rate shall be 27.363% of total salaries for May and June of 2012; and


NOW, THEREFORE, LET IT BE ORDERED THAT the annualized State Employees Plan Employer Contribution Rate for Fiscal Year 2013 is hereby set at 29.781% of total salaries; and

NOW, THEREFORE, LET IT BE ORDERED THAT the monthly State Employees Plan Employer Contribution rates for Fiscal Year 2013 shall be set on a periodic basis by the Commissioner, at the percentage of total salaries necessary to achieve an annualized contribution of 29.781% of total salaries and fulfill the intent of the Appropriations Act of 2013; and

NOW, THEREFORE, LET IT BE ORDERED THAT the Commissioner take all actions necessary to ensure that employers required to pay State Employees Plan Employer contributions receive proper and timely notification of all required contribution rates.

Resolved this 12th day of April, 2012, in public session.

  
Norm Boyd  
Vice Chairman - Presiding

  
Archer Rose  
Secretary